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NEWSPAPER

Chefs, their kitchens: An Opus One odyssey

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Nation's
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The Weekly Newspaper of the Food-Service Industry

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Jeff Rogers, USA Cafes president, shows off Bonanza's new "Lighter Fare" food bar, featuring low-calorie, low-fat, low-sodium, and high-fiber foods.

Bonanza targets 'health' in new, expanded food buffet

USA Cafes rolls new ad campaign
Page 12

25th year marked
Page F14

By Alan Liddle

SAN FRANCISCO — Out to distance itself from competitors that also offer food bars, Bonanza Restaurants is adding "healthy" side dishes and transforming its signature "Freshtastiks Food Bar" into a five-station food court.

The food-court-within-a-restaurant concept has been dubbed "Freshtastiks Food Fare" by officials of USA Cafes L.P., owner of 618-unit Dallas-based Bonanza. Freshtastiks

*(See **BONANZA**, page 86)*

Industry faces profit squeeze on food, labor

Wall Street slashes estimates

By Rajan Chaudhry

With drought-fueled food-price increases and the minimum wage poised for a hike, food-service operators are bracing for a new round of profit-margin pressures.

"I think there are a lot of restaurants in this relatively soft restaurant environment that will suffer," declared Thomas L. Gregory, chief executive of Los Angeles-based Sizzler Restaurants International Inc., owner of a 580-unit chain of budget-priced steak houses known for expansive food buffets.

"We'll take a little bit less of a margin short-term if it means keeping traffic and customer satisfaction up," said Jim Parish, chief financial officer at Dallas-based Chili's Inc., operator of 140 mid-priced full-service restaurants.

On Wall Street fears that higher food and labor costs will slash industry profitability are prompting analysts to lower restaurant stock ratings and earnings projections for 1989.

"The overall cost environment has the potential to be worse in 1989 than we thought several months ago because of the recent increase in commodity costs," stated a new Montgomery Securities re-

*(See **MARGINS**, page 86)*

Celebs ignite Atlanta

Locals stay home

By Jack Hayes

ATLANTA — Media and political celebrities sweetened the reservation books at Atlanta's dining spots during the week of the Democratic National Convention, but operators said they were disappointed that many regular patrons failed to show—apparently fearful of long dinner waits that never materialized.

"Business was down by one-half at our in-town restaurants," said Iris Osburn, a representative for Peasant Restaurants, which operates Country Place, Dailey's, Mick's, The Park, and

*(See **ATLANTA**, page 86)*

FOOD WATCH

The taste of the wild

CAPE MAY, N.J. — Forget your run-of-the-mill chicken cordon bleu or filet mignon at the Mad Batter restaurant in this seaside town. For dinner tonight, how about gingered alligator ribs, rattlesnake cacciatore, or escalopes of lion on a bed of fiddlehead ferns?

But these wild and exotic meats don't come cheap.

Marinated grilled camel is $19, roasted hippopotamus is $19, and kangaroo chili is $15.75.

The most expensive dish on the Mad Batter menu is Eye of Buffalo, a buffalo filet mignon with wild mushroom sauce—at $19.50. Escalopes of lion cost $19, while an order of rattlesnake cacciatore goes for $18.

Even the poultry is exotic. The Mad Batter features peacock, guinea fowl, and wild duck.

The prices may be high, but many Mad Batter customers are too curious to resist the allure of the restaurant.

"They see wildebeest on the menu and say, 'I've got to eat it just to see what it's like and to tell my friends that I had it,'" said Mad Batter chef Danny Mellman.

—Ken Frydman

Readers pick Golden Chain award victors

Operators to be feted at MUFSO

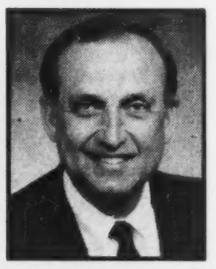
NEW YORK — Nation's Restaurant News' readers have selected the six 1988 Golden Chain MUFSO Operators of the Year from among 12 nominees.

These six will be honored at NRN's MUFSO '88 Multi Unit Food Service Operators conference in the Washington Hilton on Tuesday evening, Oct. 4.:

- Alvin Copeland, chairman of A. Copeland Enterprises (Copeland's dinner houses and Popeyes), New Orleans.
- Jack Goodall, president of Foodmaker (Jack in the Box), San Diego.
- Edgar Ingram 3rd, president of

*(See **GOLDEN CHAIN**, page 86)*

Copeland
Copeland Ent.



Goodall
Foodmaker

Ingram
White Castle

Monaghan
Domino's

Smith
Chi-Chi's

Wood
Bob Evans

CHARLES BERNSTEIN: C-STORES LACK SANITATION CODES? — PAGE F3

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NEWS DIGEST

Hard Rock Int'l accepts bid from Britain's Pleasurama

NEW YORK — Hard Rock International PLC, operator of Hard Rock Cafes in New York, London, Dallas, Tokyo, Stockholm, Sweden, and Reykjavik, Iceland, has agreed to be acquired for $107 milllion by Pleasurama PLC, a British hospitality concern.

The deal includes only the Hard Rock Cafes controlled by Isaac Tigrett, not his former partner, Peter Morton. When the pair split up in 1983, Morton got Hard Rock development rights for the Southern Hemisphere and areas in the United States west of the Mississippi.

Morton, who has Hard Rocks in Los Angeles, San Francisco, Chicago, Sydney, pays a royalty to Tigrett. The two started the concept in London nearly 20 years ago.

Pleasurama, which operates casinos, restaurants, and hotels, will purchase Hard Rock's Class A shares in cash from shareholders in the United Kingdom.

FDA still undecided about sulfite ban, memo reveals

WASHINGTON — The Food and Drug Administration hasn't decided whether it will extend its ban on the use of sulfites as a preservative for salad-bar items, according to a secret memorandum obtained by the Associated Press.

However, an agency spokesman told The New York Times that the prohibition will probably be expanded to include potatoes. Fresh potatoes are now exempted from the ban, which went into effect in 1986.

The FDA memo, which agency personnel indicated was not intended to be aired to the public, stated that the agency has decided to permit the use of sulfites as preservatives for processed foods. Only fresh fruits and vegetables, including those featured on restaurant salad bars, are covered by the ban.

Licensee breaks ground for Rax's drive-thru-only

COLUMBUS, Ohio — A Rax franchisee has broken ground in the fast feeder's home town here for the 537-unit chain's first drive-thru-only outlet.

The 850-square-foot prototype will have a limited menu of burgers, sandwiches, fries, and chili. Some offerings will be priced below what conventional Rax units charge for them.

"We are hopeful this unit will be the first of many such Rax drive-thrus," said chain president Larry Ritter. The outlet, scheduled to open in September, is licensed to Benson Ross, the son of chain pioneer J. Pat Ross.

Owner of Opryland Hotel adds Broadmoor to fold

NASHVILLE, Tenn. — The owner of the Opryland Hotel here, one of the nation's busiest convention centers, has purchased the landmark Broadmoor Hotel in Colorado Springs, Colo., from El Poman Foundation, a charity that has owned the resort since 1937.

The agreed-upon price was not revealed.

Opryland Hotel and the adjacent Opryland USA amusement complex are owned by Edward Gaylord. His real-estate holdings also include a 22,000-acre ranch north of Colorado Springs and an office building in the resort city's downtown area.

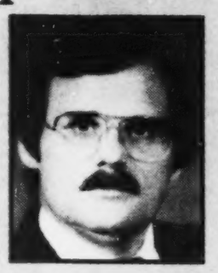
Spillman expands his stable with Judge Bean's purchase

DALLAS — F.J. Spillman has added another restaurant concept to his stable of food-service holdings through the purchase of all three Judge Bean's restaurants from John Walker for an undisclosed amount.

Spillman, who founded Pizza Inn and served as its chairman until he was outbid by Pantera's Corp. in an attempt to acquire the pizza chain, recently secured a license to operate franchised Pizza Inns in Atlanta.

He has also purchased the J.T. McCord's casual dinner-house chain from Pantera's.

Burger King names Petty president of USA division



Petty

MIAMI — Burger King, while its parent's directors were huddled in a closed-door meeting, completed the restructuring of its top management by elevating Ronald Petty, formerly head of international operations, to president of Burger King USA.

He succeeds Charles Olcott, who was appointed chairman of the fast-food restaurant company in the wake of J. Jeffrey Campbell's resignation as chairman of Pillsbury Co.'s restaurant group, the troubled empire that includes Burger King, Steak and Ale, and Bennigan's.

Succeeding the 44-year-old Petty as president of Burger King International is Richard Snead, 36, formerly executive vice president of Burger King USA's North Central Division.

The latest executive changes at Burger King came as Pillsbury's directors were meeting at the conglomerate's Minneapolis headquarters amid reports a new chief executive officer for Pillsbury would be chosen. Pillsbury refused to reveal the purpose of the meeting.

In the meantime, William Spoor, who was called out of retirement in February, remains chief executive and chairman. He has stated that a new chief executive will be named by the fall.

Following Campbell's resignation as restaurant group chairman, Pillsbury reversed the centralization he had fostered during his 13-month tenure. Both Burger King and S&A Restaurant Corp., the operator of Bennigan's and Steak and Ale, were given new top officers who report directly to Spoor, instead of to an intermediary. Previously, only Campbell answered to Spoor.

—Peter J. Romeo

Servico changes top execs as purchase is finalized

WEST PALM BEACH, Fla. — As Servico meets here with a secret suitor to hammer out a definitive purchase agreement, the hotel and nightclub operator has tapped Vartan K. Tchekmeian to succeed longtime executive William A. Meyer as president.

Meyer also resigned his posts as chief executive and director in the wake of Servico's announcement that it has agreed to be acquired for $106 million. Servico has declined to identify the would-be buyer.

Taco Bell enters Japan through franchising deal

NAGOYA, Japan — Taco Bell, the largest quick-service Mexican chain in the United States, has entered the $4 billion-a-year Japanese fast-food market.

The 2,700-unit chain has franchised a restaurant here to Taiho Group, a major Japanese food-service company and a franchisee of Pizza Hut, which, like Taco Bell, is owned by Pepsico Inc.

Taco Bell said the chain would also open company restaurants in Japan and sees "the potential for opening many more stores."

Chapter 11 filing halts Le Peep's-Shelly's suit

COLUMBUS, Ohio — Le Peep Restaurants' "copycat" lawsuit against Shelly's, a three-unit chain here specializing in breakfasts, has been put on hold following Shelly's filing of a petition for bankruptcy protection.

The court which Shelly's has petitioned for protection from creditors has granted a stay in the litigation, as is typical in such situations.

Last year Le Peep, the 54-unit breakfast chain, filed a lawsuit seeking $2.25 million from Shelly's for alleged copyright infringements. Le Peep accused Shelly's of copying its menu.

FOCUS | VIEWPOINT

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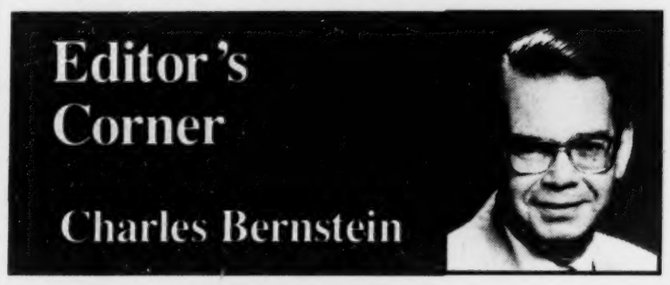
Convenience stores lack sanitation codes?

Food-service operators of all types must meet rigid sanitation standards in city, suburban, and rural areas. Sinks, tile floors, and rest rooms are absolute requirements, among many other things.

It might seem unimaginable that competitors or various types of stores are not subject to the same regulations that apply to fast-food operators and every other restaurant under the sun. Yet it is a fact of life—not so much in cities as in outlying areas that could contain important markets.



For a long time fast feeders and other food-service operators chose to ignore convenience stores and to maintain that they are not really competition. But now it is obvious that food-service operators are recognizing the competitive aspects of convenience stores.

So much so that some fast feeders signed up to put units in convenience stores for added traffic opportunities—most notably, Hardee's, Church's, and Godfather's Pizza. But they quickly became disillusioned, realized that convenience stores are not an automatic gold mine, and dropped the idea.

Dunkin' Donuts and Winchell's Donuts have installed counters at some convenience stores with moderate success. Burger King and a few double drive-thru chains are eyeing the possibility of hooking up with convenience stores.

What is commonly known as fast food accounts for almost $1 billion in sales at Dallas-based 7-Eleven stores, even after the departure a year ago of longtime food-service director Richard Reinhard to become president of Central Park U.S.A. double drive-thrus and a selloff of some 1,000 7-Elevens to help finance the huge debt of parent Southland Corp.'s management leveraged buyout.

If one subtracts an estimated $2 billion in 7-Eleven gasoline sales, fast food probably accounts for some 20 percent of the chain's total volume in 7,200 stores. Although 7-Eleven's own fast-food program, The Works, faltered, its deli sandwiches are prospering.

The No. 2 volume convenience store chain, Phoenix-based Circle K, is doing $300 million annual food-service sales in the 4,700 stores it operates following the purchase of some 500 7-Elevens. With an estimated $1.3 billion in gasoline sales subtracted, it is probably doing 15 percent of total volume in fast-food and food-service items.

Stanley Bresler's 1,500-store Convenient Food Marts and other convenience store chains are rolling up impressive food-service figures even if the chains are not regarded as "traditional" food service. They certainly are intense competitors that will not go away no matter how traditional operators try to ignore them.

A significant indication of the inroads being made by convenience stores is that more than a few fast feeders are protesting an "unfair" cost and space advantage that convenience stores may enjoy because they purportedly do not have to observe sanitation laws.

"We're finding it tough to compete with convenience stores in certain states and counties that make us comply with every sanitation regulation but don't have any regulations applying to convenience stores," declares an executive at one major fast feeder. "This gives them a huge cost advantage, as they don't even need to provide rest rooms."

Maybe so, but to some degree this kind of talk permeating the industry has to be sour grapes. Most of the major convenience store chains are complying with existing sanitary codes or setting their own. And ones further away from cities that don't come under any regulations would only be injuring themselves by maintaining anything less than full sanitary conditions.

"We must be hurting the fast feeders for them to make unfounded accusations such as this," asserts one convenience store leader. "Five or 10 years ago it may have been true, but almost every state and county has sanitation regulations and almost every convenience store complies."

We hope so. Whatever the cost advantage may be, it is detrimental to the industry to have places without rest rooms or with subpar sanitary conditions.

Nevertheless, it behooves fast feeders that feel threatened by a purported lack of convenience store regulations to emphasize their own positive aspects in the food-service struggles.

At the very least, the recognition accorded convenience stores in the "rest rooms" controversy finally indicates that food-service operators have awakened to the "new" segment. They perceive that while convenience stores are not automatic gold mines, they are strong competitors that must be taken seriously—with or without rest rooms.

LETTERS

In setting policy, justice for all may be impossible

Editor, NRN:

While trying to set a company policy on waiter walkouts and credit card problems, such as no credit card numbers, I referred to The Legal Solver for Food-service Operations, printed by the National Restaurant Association. Enclosed is an excerpt from that book that I feel shows some injustices to employees and employers.

In setting policies, I find it difficult to be fair to employees and meet the federal laws. Here is the excerpt:

"For example, if an employee is paid $4 per hour, deductions may be made to the extent of 65 cents per hour. As pointed out in Chapter III, it is also important to note the tipped employees may not be required to pay for such losses from their tips."

This law raises many points in my mind:

Why should an employer who pays taxes and Social Security on tips not be allowed to consider that income for an employee? What is the difference between that and an hourly wage?

If employers allow these mistakes, what would stop an unscrupulous employee from accepting cash from a guest and then running a blank voucher through the machine? Then he could keep the cash and his job.

If employers set a strict policy, such as terminations for those mistakes, then there would be a loss of some good employees who made honest mistakes. What about the employee who would voluntarily pay for the mistake to keep his job, but it is is illegal for the employer to accept the payment? Under a termination policy the employee would be discharged.

For walkouts a review board can be set up to determine if the employee was negligent, but I do not see the credit card problem being solved that easily.

I would be curious to see how other large operations are handling these policies and what our legislators are doing to solve the injustices.

—Jerry Minton
director of operations
Consultant-International Hospitality Management Inc.
Panama City Beach, Fla.

Discounting no success in world of fine dining

Editor, NRN:

I read the lead story in the June 13th issue of Nation's Restaurant News, the story on the flop of fine-dining coupons, and it rekindled the premise of an article I did some years back called "The Myth of Discount Promotions."

I might also add an even more "insidious" side effect of extended couponing. You really want to question the value of couponing when your regular customers start redeeming them. When I opened my second restaurant in Orlando, I was talked into participating in a discount program that sold for $24 and allowed unlimited use of the discount. Needless to say, it was a decision I regretted and it perhaps fueled my skepticism of discount promotions

Discounting is especially inappropriate for fine-dining operations. Whenever one is contemplating a discount, just repeat, "The frugal coupon diners cannot be converted to regular upscale patrons. They will not spent the savings on a nice bottle of wine or purchase a fancy dessert or appetizer." The help dislikes discounting because many tip on the discounted amount rather than the regular price.

The final bit of advice is to ask how much more business (in customers and sales revenue) must one do with the discount to be no worse off than they would be if they did not run the discount? The key to making a discount successful in the financial sense is for the sales to increase to a point that will reduce fixed cost percentages more than variable costs increase.

—David V. Pavesic, Ph.D.
associate professor
Georgia State University
Atlanta

More letters on page F6

Margins face new pressure

(Continued from page 1)
port now being circulated on Wall Street.

"In 1989 this industry is clearly going to be facing margin pressures," said Leslie Steppel of Prudential-Bache Securities in New York. "The question is, Will the margin pressures come just from accelerating food-price inflation, or will profit margins be hit with a double whammy because they'll be faced with higher food prices as well as higher labor costs?"

Among the stocks Wall Street is turning a critical eye on McDonald's, Vicorp, TW Services, Cracker Barrel, Chili's, T.G.I. Friday's, Shoney's, Church's, Ryan's, Wendy's, Luby's, and Sizzler.

If the proposed minimum wage becomes law, Gregory said, Sizzler will be forced to raise prices. "The minimum wage does affect a lot of the employees we have, and I think it will be reflected eventually in price increases," he noted.

Gregory said that he is less concerned with food prices because Sizzler's menu is flexible, making it easy to change or modify costly items, and that its contracts for cooking oil and beef should help insulate the chain from food cost increases for nine to 12 months.

"While food costs definitely will move up because of the drought," explained Gregory, "we happen to be in a market where we can vary the content of our menu quite easily to avoid those things that are just completely uneconomical and not feel trapped by having to use a particular item."

Parish said that if it became necessary, Chili's could raise prices by as much as 4.5 percent. The chain has already increased prices about 2 percent over the last year without any loss of traffic.

The tip-credit provision of the new minimum-wage legislation should help soften the impact of labor costs and give Chili's an advantage over operations that don't have tipped employees, Parish said.

But industry analysts said Chili's—and operations like it—are especially vulnerable to margin erosion because of heavy reliance on beef and chicken, two of the commodities expected to be affected most by the drought.

Twenty-five percent of Chili's sales come from beef products, said Parish and 15 percent from chicken products.

At Los Angeles-based Collins Foods International Inc., Christopher Thomas, vice president of finance, said that because of high chicken prices, the 260-unit Kentucky Fried Chicken division has been the first to feel the effects of the drought.

"I think there's a legitimate concern about margins," Thomas said, "and there's an uncertainty about what's going to happen to the cost of food products."

Collins' Thomas already knows the effects of a higher minimum wage: In California the minimum wage increased to $4.15 per hour from $3.35 July 1.

"While we believe large increases (10 percent or so) in either food or labor costs are very manageable for most industry participants," the Montgomery Securities report said, "the combination of large increases in both food and labor costs at the same time could have a negative effect on industry profitability."

Based on its cost concerns and significant appreciation among some stocks, Montgomery Securities reduced its ratings for McDonald's and Vicorp from "aggressive buy" to "attractive," and for TW Services, Cracker Barrel, Chili's, and T.G.I. Friday's, from "attractive" to "neutral." Only Sizzler and Collins Foods remain on its aggressive-buy list.

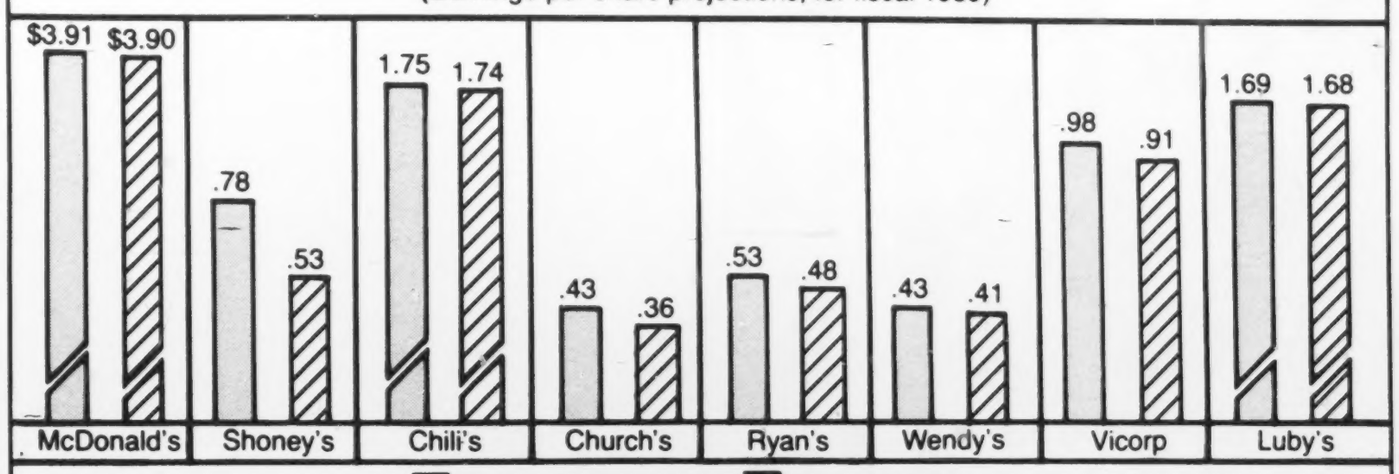
Similarly, Steppel, at Prudential-Bache, limited her "buy" recommendations to McDonald's, Sbarro, and Sizzler.

And the likelihood of shrinking margins has prompted analyst Caroline Levy of New York-based Shearson Lehman to take a bearish stance on two of the industry's most touted stocks. She downgraded her rating of Sizzler Restaurants International from "outperform," to "neutral" and McDonald's, from "outperform" to "underperform."

Following Levy's downgrade, Sizzler stock slipped 50 cents to $18 per share but rebounded by week's end.

WALL STREET SLASHES OUTLOOK

(Earnings-per-share projections, for fiscal 1989)



Note: Averaged from reports supplied by securities analysts. Previous estimates issued in May. New estimates issued in July.

Source: Institutional Brokers Estimate System; Lynch, Jones & Ryan, New York.

Bonanza boosts food bar

(Continued from page 1)
Food Fare, which is to debut in three new Southern California Bonanza's late this year, is an integral part of the chain's new prototype decor that increases seating from 260 to 290.

Company officials declined to project how much the new protoype unit would cost to build. However, one of the suppliers involved in the development of the food court speculated that the cost of a Bonanza restaurant could rise from about $800,000 to $1 million.

Bonanza licensees got their first glimpse of both the Food Fare and "Lighter Fare" healthful foods concepts during the chain's 25th Anniversary Convention in San Francisco. Most, if not all, of the operators responded favorably, with some indicating they might retrofit the tile-trimmed Food Fare into existing stores.

The Freshtastiks Food Fare is described by Bonanza brass as "innovative," "a first in the family restaurant segment," and an example of how the chain will meet the challenges of the next decade. And while it might be all of those things, to the casual observer it appears little more than a slickly packaged version of the Freshtastiks Food Bar.

Foodwise, the newest twist is Lighter Fare, a dedicated station featuring such items as sugar-free fruit, low-salt soups and salad dressings, high-fiber muffins, and low-calorie desserts, including parfaits. The chain is encouraging operators who opt not to retrofit a Freshtastiks Food Fare into their existing units to add Lighter Fare items to the food bar they now have or create a second minibar.

Jeff Rogers, USA Cafes president, said Lighter Fare would give people concerned with nutrition or who are on a salt- or cholesterol-restricted diet a "great reason to visit Bonanza."

To create Freshtastiks Food Fare, Bonanza's development team segregated the branded sections of the Freshtastiks Food Bar and added Lighter Fare. The result is that the main section of the Freshtastiks Food Bar, which houses salad makings and prepared salads, is now encircled by four free-standing bars: "Soups and Breads"; "Hot and Hearty" (warm vegetables, appetizers, and side dishes); "Lighter Fare"; and "Desserts."

"We do think it is going to build traffic, and we believe it will increase frequency," Dale Conwell, director of marketing services, said of Freshtastiks Food Fare and Lighter Fare. The two new programs, he said, "further enhance our image" and should help Bonanza "move away from a budget steak [reputation] to a healthy foods orientation."

William Tate and Bill Munro of Huntington, W. Va., who own five Bonanzas and oversee 12 more as area developers, said Food Fare and Lighter Fare could be just the competitive edge Bonanza operators need.

Making the two developments timely, Tate indicated, is the emerging phenomenon of "shopping" among consumers who check out food bar offerings before deciding which restaurant to patronize. The new food court, with its strikingly different look and a dedicated healthful foods section could "put us in a unique position," he said.

Munro remarked that Bonanza officials have had to "sell us" innovations in the past, but the Freshtastiks Food Fare "sells itself."

Jeff Gordon of the Chica Corp., a 15-unit Dallas-based Bonanza operator, was more succinct in summing up his feelings about the food-court approach: "You'd be crazy not to try it."

According to area developer Robert Lemire of Laconia, N.H., Lighter Fare "is the wave of the future."

"We frequently get requests for 'diet' salads and foods on comment cards," Lemire explained.

In addition to the Freshtastiks Food Fare, nine food bar retrofit packages, costing from $5,000 to $15,000, were unveiled in San Francisco.

The retrofit packages, from three of Bonanza's major equipment suppliers, feature less distracting sneeze guards designed to let the food better market itself.

Another feature of the retrofit packages is the use of enamel-coated surfaces to retain a "fresh" look and a greatly reduced dependence on kale and other greens now used to give food bars a "produce mart" feel. Some operators have complained that kale maintenance is relatively labor intensive.

Rudolph Milasinsic of Lyndora, Pa., a Bonanza franchisee of 17 years, said the introduction of Lighter Fare and the retrofit packages offers him a potentially "cost effective" way to "boost" sales.

Atlanta hosts the Democrats

(Continued from page 1)
Pleasant Peasant in downtown and midtown.

Nevertheless, such notables as politician Geraldine Ferraro and actresses Justine Bateman and Morgan Fairchild made dining appearances at Peasant establishments during the course of the convention.

Beverlee Shere, who operates the Coach & Six between midtown and Buckhead, admitted to a share of reservation no-shows but said her 200-seat restaurant was visited by the cream of the convention's celebrities.

They included ABC News president Roone Arledge and 42 members of his staff, including David Brinkley and Sander Vanocur. Visitors also included parties from CBS News, USA Today, and 40 foreign dignitaries hosted by Virginia Gov. Gerald Baliles.

Shere's restaurant, a 26-year-old landmark that set the fine-dining standard in Atlanta, was ignored in recent "Where-to-Dine" writeups available to visiting conventioneers.

"We may not be the critic's choice, but we are the people's choice," Shere said with a shrug, having served a party of 300 for the Rev. Jesse Jackson on Saturday before the convention's official opening.

Buckhead Life Restaurant Group, which operates five Atlanta restaurants, including the four-star rated Pano's & Paul's, had the convention coup with a 24-party welcome dinner for Massachusetts Gov. Michael Dukakis, the Democratic presidential nominee.

Dukakis is related to restaurateur Pano Karatassos, who hosted the lobster affair at 103 West in Buckhead, where Massachusetts Sen. Ted Kennedy dined the same evening.

The Atlanta Chamber of Commerce predicted that each of the 35,000 people visiting the city for the convention would spend an average of $300 on food and drink during their stay.

Golden Chain winners

(Continued from page 1)
White Castle, Columbus, Ohio.

- Thomas Monaghan, president of Domino's Pizza, Ann Arbor, Mich.
- Hal Smith, chief executive officer of Chi-Chi's, Louisville, Ky.
- Robert Wood, chief operating officer of Bob Evans Farms, Columbus, Ohio.

One of the six will be chosen as Operator of the Year by vote of the MUFSO Academy of former Golden Chain winners and Operators of the Year dating back to 1971.

Details on NRN's 29th annual MUFSO conference, in the Washington Hilton October 2-5, are available from Chris Hernandez at (212) 371-9400, Ext. 282, 283.